SPILL PREVENTION CONTROL & COUNTERMEASURE PLAN

PART I
GENERAL INFORMATION

1. Name of facility Diamondhead Oil Refining Co., Inc.

2. Type of facility Waste Oil Reprocessing & Canning

3. Location of facility 1401 Harrison Turnpike; Kearny, New Jersey 07032

4. Name and address of owner or operator:

   Name PSC Resources, Inc.

   Address 1401 Harrison Turnpike

   Kearny, New Jersey 07032

5. Designated person accountable for oil spill prevention at facility:

   Name and title John E. Matesky, Plant Superintendent

6. Facility experienced a reportable oil spill event during the twelve months prior to Jan. 10, 1974 (effective date of 40 CFR, Part 112). (If YES, complete Attachment #1.) No

MANAGEMENT APPROVAL

This SPCC Plan will be implemented as herein described.

Signature

Name

Title

CERTIFICATION

I hereby certify that I have examined the facility, and being familiar with the provisions of 40 CFR, Part 112, attest that this SPCC Plan has been prepared in accordance with good engineering practices.

(Seal)

Jack Kroop, P. E.
Printed Name of Registered Professional Engineer

Jack Kroop
Signature of Registered Professional Engineer

Date 5/7/76

Registration No. 17408 State New Jersey

7. Potential Spills — Prediction & Control:

Source	Major Type of Failure	Total Quantity (bbls)	Rate (bbls/hr)	Direction of Flow*	Secondary Containment
Storage Tanks: T6, 7, 8, 9, 10.	Overflow or Tank Failure	4,800	50	On Site	Dyke
Storage Tanks in Buildings	Overflow or Tank Failure	240	50	On Site	Container in Building
Misc. Other Storage Tanks and Reactors	Overflow or Tank Failure	7,320	50	On Site	Low Area on Site
Pipeline	Pipe Failure	N/A	50	On Site	Low Area on Site

Discussion: The above are potential failures but are not expected. The collecting place is the "low area" which is on site and shown on attached schematic arrangement and site plan.

*Attach map if appropriate.

Name of facility Diamondhead Oil Refining Co., Inc.

Operator _____

[Response to statements should be: YES, NO, or NA (Not Applicable).]

8. Containment or diversionary structures or equipment to prevent oil from reaching navigable waters are practicable. (If NO, complete Attachment #2.) Yes

9. Inspections and Records
   A. The required inspections follow written procedures. No
   B. The written procedures and a record of inspections, signed by the appropriate supervisor or inspector, are attached. Yes
   Discussion: The inspections consist of a least one complete walk around inspection by operating personnel each shift. A written inventory is conducted daily. The recommendations of this SPCC plan is to institute a written procedure with a written check list to be completed by the shift personnel monthly.

10. Personnel, Training, and Spill Prevention Procedures
   A. Personnel are properly instructed in the following:
      (1) operation and maintenance of equipment to prevent oil discharges, and Yes
      (2) applicable pollution control laws, rules, and regulations. Yes
   Describe procedures employed for instruction: The shift personnel are under the direct supervision of John Matesky - Plant Superintendent and receive instruction and direction in the proper operation and maintenance to conform to applicable pollution rules and to prevent oil spills.

   B. Scheduled prevention briefings for the operating personnel are conducted frequently enough to assure adequate understanding of the SPCC Plan. Yes
   Describe briefing program: There is a continuing program of instruction and supervision for regular employees. New employees are given special instruction and close supervision in the initial training period.

Name of facility Diamondhead Oil Refining Co., Inc.

Operator

(Prior to completing Part II, Alternate A, refer to regulations and instructions pages 6-7.)

PART II, ALTERNATE A
DESIGN AND OPERATING INFORMATION
ONSHORE FACILITY (EXCLUDING PRODUCTION)

A. Facility Drainage

1. Drainage from diked storage areas is controlled as follows (include operating description of valves, pumps, ejectors, etc. *(Note: Flapper-type valves should not be used)*: Drainage in dyked area around tank T6, 7, 8, 9 and 10 is controlled by evaporation or pumping by means of portable pumps to the lagoon area for storage and reuse.

2. Drainage from undiked areas is controlled as follows (include description of ponds, lagoons, or catchment basins and methods of retaining and returning oil to facility): Plant drainage collects in "low area" of plant where it is pumped to heated separators T12 and T23 or is directly pumped to lagoon for storage. In the heated separators oil is skimmed and returned to process. The decanted water is sent to the lagoon. The lagoon is operated as a separator where the lighter portion is skimmed by means of portable pumps and skimmings are treated in separators T12 and T23 as needed.

3. The procedure for supervising the drainage of rain water from secondary containment into a storm drain or an open watercourse is as follows (include description of (a) inspection for pollutants, and (b) method of valving security). (A record of inspection and drainage events is to be maintained on a form similar to Attachment #3): The drainage water is disposed of by means of evaporation and reused in process as cooling water.

Name of facility Diamondhead Oil Refining Co., Inc.

Operator

PART II. ALTERNATE
DESIGN AND OPERATING INFORMATION
ONSHORE FACILITY (EXCLUDING PRODUCTION)

[Response to statements should be: YES, NO, or NA (Not Applicable).]

B. Bulk Storage Tanks

1. Describe tank design, materials of construction, fail-safe engineering features, and if needed, corrosion protection: The storage tanks are non-pressure vessel steel construction and are coated for corrosion protection. The foundations are adequate. Most of the vertical tanks have steel bottoms. The small vertical tanks have reinforced concrete bases.

2. Describe secondary containment design, construction materials, and volume: Containment for storage tanks T6, 7, 8, 9 and 10 is a reinforced concrete dyke which can retain the tank's capacity. Tanks T55, 56, 57 and 58 are in a building which can retain a single tanks capacity. All other tank failure on site would drain towards the "low area" on site which can retain in excess of the largest tank on the site.

3. Describe tank inspection methods, procedures, and record keeping: The facility is in everyday 24 hour operation. There is a daily visual inspection made of the tanks. There is a written inventory maintained daily of tank contents which is reconciled daily.

4. Internal heating coil leakage is controlled by one or more of the following control factors:
   (a) Monitoring the steam return or exhaust lines for oil. Yes
   Describe monitoring procedure: All condensate is visable downstream of the heating operations. Thus, any leak would be detected visually. Condensate not returned to boiler is run thru lagoons with the drainage. See Part II, Section A. Reactors R1, R2, R3, R4 and T25 are heated externally.
   (b) Passing the steam return or exhaust lines through a settling tank, skimmer, or other separation system. See (a) above.
   (c) Installing external heating systems. See (a) above.

5. Disposal facilities for plant effluents discharged into navigable waters are observed frequently for indication of possible upsets which may cause an oil spill event. N/A
   Describe method and frequency of observations: This facility effluent consists of 70,000 gallons per month of sludge which are held in T30, 31, 32 and disposed to a scavenger. The drainage is retained on site as described in Section II, A. There is no effluent to a waterway.

Name of facility DIAMONDHEAD OIL REFINING CO., INC.

Operator

PART II, ALTERNATE A
DESIGN AND OPERATING INFORMATION
ONSHORE FACILITY (EXCLUDING PRODUCTION)

[Response to statements should be: YES, NO, or NA (Not Applicable).]

C. Facility Transfer Operations, Pumping, and In-plant Process

1. Corrosion protection for buried pipelines:
   (a) Pipelines are wrapped and coated to reduce corrosion. NO
   (b) Cathodic protection is provided for pipelines if determined necessary by electrolytic testing. NO
   (c) When a pipeline section is exposed, it is examined and corrective action taken as necessary. YES

2. Pipeline terminal connections are capped or blank-flanged and marked if the pipeline is not in service or on standby service for extended periods. N/A
   Describe criteria for determining when to cap or blank-flange: Pipelines not in use are removed.

3. Pipe supports are designed to minimize abrasion and corrosion and allow for expansion and contraction. YES
   Describe pipe support design: Above-ground pipelines are installed with adequate support so that the pipe is not required to act as the structural support.

4. Describe procedures for regularly examining all above-ground valves and pipelines (including flange joints, valve glands and bodies, catch pans, pipeline supports, locking of valves, and metal surfaces): The above-ground pipe, valves, fittings, etc. are observed daily. Pipelines are given hydrostatic tests at the rated pressure to locate leakes, at least once a year.

5. Describe procedures for warning vehicles entering the facility to avoid damaging above-ground piping: The pipelines are clearly visible and installed away from path of travel of vehicles.

Name of facility Diamondhead Oil Refining Co., Inc.

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PART II, ALTERNATE A
DESIGN AND OPERATING INFORMATION
ONSHORE FACILITY (EXCLUDING PRODUCTION)

[Response to statements should be: YES, NO, or NA (Not Applicable).]

D. Facility ~~Tank Car or~~ Tank Truck Loading/Unloading Rack.

~~Tankcar~~ and tank truck loading/unloading occurs at the facility. (If YES, complete 1 through 5 below.) Yes

1. Loading/unloading procedures meet the minimum requirements and regulations of the Department of Transportation. Yes

2. The unloading area has a quick drainage system. No

3. The containment system will hold the maximum capacity of any single compartment of a tank truck loaded/unloaded in the plant. Yes
   Describe containment system design, construction materials, and volume: Spills from loading and unloading are contained on the site and tend to flow toward the "low area" on site. In the event of a spill the procedure would be immediately: start a clean up operation which would involve temporary retainment, recovering spilled oil by pumping to a waste oil tank truck and returning oil to process and then cleaning up the ground using absorbants.

4. An interlocked warning light, a physical barrier system, or warning signs are provided in loading/unloading areas to prevent vehicular departure before disconnect of transfer lines. No
   Describe methods, procedures, and/or equipment used to prevent premature vehicular departure: Unloading of trucks is by means of open gravity pipe. The driver controls the dumping and closes his truck valve before he leaves. This is a simple direct method with no reason for error. Also, this is supervised by at least one of the shift personnel.
   Loading of trucks is done under supervision of the plant personnel who are instructed in the need for care in this operation. Both the drivers and shift personnel are under specific instructions to check all trucks for leakage before departure and no one is to load or unload unless someone from the plant is available to supervise.

5. Drains and outlets on tank trucks and tank cars are checked for leakage before loading/unloading or departure. Yes

Name of facility Diamondhead Oil Refining Co., Inc.

Operator

[Response to statements should be: YES, NO, or NA (Not Applicable).]

E. Security

1. Plants handling, processing, or storing oil are fenced. No

2. Entrance gates are locked and/or guarded when the plant is unattended or not in production. No

3. Any valves which permit direct outward flow of a tank's contents are locked closed when in non-operating or standby status. Yes

4. Starter controls on all oil pumps in non-operating or standby status are:
   (a) locked in the off position; No
   (b) located at site accessible only to authorized personnel. No

5. Discussion of items 1 through 4 as appropriate: The plant is in a isolated site where vandalism is not expected. There are shifts 24 hours per day which have the responsibility for security as well as to report emergencies.
The two valves in the plant which are terminus valves are chain locked when not in use.

6. Discussion of the lighting around the facility: There are stragically located spot lights. Also, there is adequate general area lighting which is on automatic control.

Name of facility Diamondhead Oil Refining Co., Inc.

Operator

CONCLUSIONS:

The Engineer recommends that a "Plant Survey and Preliminary Design Report" be prepared for this facility. This report will be directed towards design of better on site control of spills and waste water utilization. The Report may also confirm that this facility does not have an effluent and can not discharge accidentally into waters cited in the rules for the SPCC Plan due to physical location and plant arrangement.

The above recommended report would be a part of the required SPCC Plan.

The following would be included:

1. Preparation of written log forms for inspection.

2. Preliminary design and recommendations for additional containment, drip pans, security.

3. Preliminary design for an improved separator unit.

4. Plan for greater reuse of waste water.

This report program would be completed in 10 weeks and would result in a design program with a schedule to implement design and installed modifications.